Previous references.
-0881-9 B Dec 10
-1281-4 B Mar 13
1-1281-2 B Apl 13.

Later references.
S.R-17-1685 608.
A. Nov? 16.

1913.
(Banking)

File No. 28-13
Serial Nos. 1-2

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1-2

Part B. for January 1914.

SUBJECT.

Annual Report on the working the Agricultural Banks for 1912-13

From the Inspector of Agricultural Banks.
No 526/A.B Dt 25.10.13.
Submits the Report on the working of the Banks for 1912-13.
To the Inspector of A.B. & Regr of joint Stock Companies.
No 7L2979-89 Dt 28.1.14

G. R. S. 58
Reviews the Report with certain observations

B2. Jl 14.1

G.R.S. 11] 1913-14

GENERAL AND REVENUE SECRETARIAT.

(Banking

NOTES.

File No. 28

FILE HEADING.

Annual report on the working of Agricultural Banks for 1912-13

From The Inspector of Agricultural Banks.

No. 526/A 13 Dated 25-10-13 Received 27-10-13

Diary No. 1629	Enclos. 5 Vols Spare Copies. 1	Serial No. 1

BRIEF ABSTRACT OF LETTER.

Submits the annual report on the working of the Agricultural Banks in the State during 1912-13

NOTES AND ORDERS.

1) There are only 4 working banks in the State out of the total 5-9 started. Of these 3 are in Bangalore Viz Channapatna, Ramanagarde & Palhalli & 1 in the Kolar Dt Viz Mongenhalli

NOTES—First Sheet.

Serial No.

2) Of these the Channarayanapur & Hanyan Sode Banks are stated to have transacted no business at all during the year. The Hanyansode bank has paid the Govt loan in full & Govt has no concern about it but the Channyanapur Bank has yet to pay Govt a goodly sum viz Rs 11300. Perhaps the institution is kept alive because of this very reason - as in case of its being wound up either voluntarily or forcibly it would result in the immediate & forcible collection of the Govt dues. No purpose is however served in keeping it alive.

3) Pathapli & Honganhalli are the only 2 Banks that are working prosperously & are likely to continue working. The former has attached a goodly amount of deposit attesting its soundness.

4) On the whole there is only a small amount of Rs 79-9-14 yet to be collected towards Govt dues out of a total advance of Rs 7 5-2 0 0 0. No loss is likely to accrue to Govt on account of these Banks —

GPB—5,000—26-6-11

Serial No.

though the project has resulted in failure.

5) There have been good collections of arrears during the year in the hitherto lagging districts of Mysore & Bangalore which came in for repeated strictures from both during past years on the audit. In fact in the Bangalore Dist. an excess of zeal seems to have been shown in this direction resulting in some cases in heavy excess collection - for instance in the case of Thyamagondlu Rs 2209 has been collected over the fasli dues & credited into the Treasury - & in the case of Hulikunte a small Bank which had borrowed Rs 12000 an amount of 1095 Rs has been collected in excess. In fact the D Inspector brings this question as well as the question of the devotion of the surplus of the wound up institutions for which have to be devoted to some purpose of common

Serial No.

utility as per the articles of association, into prominence and whatever the reason for the callousness of the members in these two matters, forth action seems necessary. The Inspector circularised the Societies last year in regard to the utilization of the reserve but the members took no interest in it. If the Auditors are made to take steps to see the necessary meetings of the members convened & himself presides over the deliberations & some useful work resolved upon it may result in bringing a large no. of such cases to a finality.

6) The other question about excess collection has also to be tackled & the excess collected refunded to the proper persons after enquiry. This may be left to the Registrar of Cooperative Societies for taking necessary action.

7) The Registrar has apparently

GPB—5,000—26-6-11

G. R. S. 12]

General and Revenue Secretariat. | B File No. 28 of 1913.

Serial No.

we wish to revive the defunct Agril Banks into Cooperative Societies as per directions in G.O No H 2999-3011/B17-08-7 Dt 4-2 He contents himself by stating that societies have been started wherever feasible in the plains & areas where these banks exist

8) Though the attention of the Dy Commrs was specially called to the ~~at~~ importance of inspection of the Banks, not even the 2 working banks have been inspected.

Submd for orders.

SK 8/11 SN

9) Reacpthrp drapprvd

10.XI.13

Draft revenue put up

SK SN 9/11

11) Reacpthrp fair draft

9.XI.13

Revised fair draft subd

SK SN 9/11

Secy (Rev)

13) Please type draft as revised & subt to Govt

SK 10/11

10.XI.13

[S. 12]

General and Revenue Secretariat. | 13 File No. 28 of 1913.

Serial No. 14

Typed draft Linked.

16/12
SN
17/12 Dewan)

4
6.XII.13.

15 Offg appd by Dewan
8/1/14. RN. 5/1.

16 Issued
5-1-14

To The Inspector of Agl Banks.
" Registrar of Joint Stock Companies
" Comptroller
" Deputy Commissioner of Districts.

No H 2979-89/B28-13-28-9-1-

Reviews the report with certain observations

of the District Treasuries shewing the recoveries made from the several banks.

WORKING BANKS

The year under review opened with six working Agricultural Banks and during the year two of them Viz., Kyatanahalli in the Seringapatam Taluk and Siralkoppa in the Shikaripur Taluk were found to have continued in arrears of Government loan for years and the Government therefore ordered their being wound-up. Consequently the number of working Banks was reduced to four at the end of the year of which three were situated in the Districts of Mysore and one in Kolar.

VILLAGES SOUGHT TO BE BENEFITED.

5. Consequent on the reduction in the number of the working Banks, the number of villages to which the operations of the Banks extended was reduced from 86 to 77.

REGISTERED LIMIT OF FUNDS.

6. The total limit of funds of the working Banks was reduced from Rs. 2,29,385 to Rs.1,96,000. The decrease is due to the reduction in the number of the working Banks . This figure was only a nominal one as most of the Banks had no vitality.

FUNDS HOW OBTAINED.

7. The chief source of the working capital of the Banks was, as in the past, the balance of

Government

Government loan outstanding against them amounting to Rs. 20,946. The three Banks Viz., Halhalli, Hongenahalli and Chamarajanagar were able to supplement the balance of the Government loan by local deposits to the extent of Rs. 12,506-4-9.

NUMBER OF MEMBERS.

8. The working Banks had a total membership of 133 at the beginning of the year. There was one case of admission in the Hongenahalli Bank and three cessations of membership in the same Bank. The net membership was, therefore, 136 at the end of the year. As usual, the Brahmins and Vokkaligars formed the bulk of the membership, numbering 71 and 30 respectively.

RECEIPTS AND DISBURSEMENTS.

9. The volume of business done during the year was less than during the previous year. The total receipts and disbursements amounted to Rs. 20,257-13-5 and Rs. 27,630-1-2 respectively. As in the year previous, the Bank at Halhalli had the largest turn-over, the receipts and expenditure amounting to Rs. 13,986-0-4 and Rs. 13,303-15-1. The closing balance of all the working Banks was Rs. 337-12-3.

LOANS TO MEMBERS.

10. A sum of Rs. 2,416-7-2 was issued as loans to members during the year as against Rs. 3478-2-1 in the previous year. The Banks at

Nanjangud

Nanjangud and Chamarajanagar transacted no business as in the last year.

INCOME OF THE BANKS.

11. The income of the banks, was, as usual, made up of the interest and penalty recovered from the members on the loans due by them. The last year's transactions resulted in a net profit of Rs.1888-8-6. It was used mostly for paying off the interest due on the Government loan and the establishment and contingent charges. No portion of the interest was added to the Reserve Fund and even the existing surplus had been mixed up with the other assets of the Banks.

ASSETS AND LIABILITIES.

12. Statement No.IV indicates the financial position of the working banks, as it stood on the 30th June 1913. The excess of assets over liabilities amounted to Rs.12,785-6-3.

PAYMENT OF INTEREST ON GOVERNMENT ADVANCES

13. The table given hereunder shews the amount of interest paid during the year by both the working and the wound-up banks.

	1911-12	1912-13
	Rs. A. P.	Rs. A. P.
Working Banks	681-15- 6	742- 4- 8
Wound-up Banks	5,256-12- 7	4,722-14- 3

REPAYMENT OF INSTALMENTS.

14. The subjoined table shews the total amount outstanding against the banks both working and wound-up, the repayments made by them during the year and the balance of instalments remaining unadjusted.

Instalments up to the end of	Amount due	Repayments	Balance
	Rs. A. P.	Rs. A. P.	Rs. A
1911-1912	7,38,[illegible]54- 0- 9	6,4[illegible]-11- 8	9[illegible],394- 0
1912 -1913	7,43,670-10- 8	6,63,755-13- 8	79,914-13

The amounts of principal paid into the Treasuries by the working and wound-up banks respectively are given below:--

	During the year.	Working Banks.	Wound-up Banks.
Principal	1911-12	6,387-0-0	50,536- 1- 9
	1912-13	7,597-0-0	37,098- 1- 7

The recoveries have, on the whole, been satisfactory. In the Bangalore District of the six banks that are still indebted to the Government those at Bilarkuppe, Attibele and Closepet shewed good recoveries, and from the two banks of Ardeshalli and Vadigenahalli situated in the Devanhalli Taluk, there was no recovery and the balances of Rs.6,902/- and Rs.6,511/- have been outstanding for the last three years. Of the Banks in the Kolar District those at Mudavatti (Kolar Taluk) and Thippenhalli (Chickballapur Taluk) deserve notice. Very small sums re

were recovered from them and the balances are still heavy. It is very satisfactory to note that the working bank at Hongenahalli in the Kolar Taluk of the same District paid off the Government loan in full and the management of the bank is good and there is every likelihood of its continuing the transactions with the reserve of about Rs.3,316-6-7 now held for it. In the Mysore District all the banks except Rampura and Yachenahalli have discharged the Government loans. The recoveries of Government dues have been specially satisfactory in the Mysore District. From the Vyravanahalli Bank which was ordered to be wound-up at the beginning of the year a sum of Rs.7,001/- was credited towards principal besides a sum of Rs.450-6-8 which was paid towards interest. This leaves a balance of only Rs.636/- outstanding against the Bank. A sum of Rs.3,810/- was recovered from the Seringapatam Bank and the balance of Government loan was reduced to Rs.790/-. The Mandya and other Banks have shown good recoveries. The balance of Rs.2,760/- due from the Bank at Tirakanambi remains unadjusted and there was only a small recovery of Rs.33-10-3 under interest. Shimoga District contains the least number of indebted banks and their accounts with the Government could have long ago been closed, had the amildars paid a little attention to the banks existing in their Taluks. The small sum of Rs.9/- is due from the banks of Kumsi and Hirekoppahalli and Rs.13-12-6 from the bank at Channagiri. These sums have been outstanding for over three years. The sums of Rs.370/- and Rs.714/- due by Sirsi banks and Yellapur have not been adjusted, there having been no recovery from them during the year.

The

The other Districts call for no remarks.

INSPECTION.

This year too I received no report of inspectio by the District Officers. I inspected the banks t Closepet and Chiplun while on the District tour I ind.

GENERAL REMARKS.

Out of the 50 Banks started throughout the State since the inception of the movement, as many as 38 Banks have completely paid off the Government loan and their names have been noted in the margin. There have been excess recoveries in the case of most of them and I daresay that in the case of ~~many of the~~ others also there are still uncollected debts. In statemen No.V, some of the available particulars as regards the excess recoveries have been noted and the question of the utilization of the surplus amounts of these paid up banks still remains unsolved. The reason for this is obvious and the authorities of the banks are to a large extent responsible for this state of affairs

Bangalore District.

2. [illegible]kunte
3. Julikunte
4. Talagavara
5. Dillankote

Tumkur District.

6. Kyatsandra
7. Hiriyur
8. Kadagattur
9. Chicknaikanahalli
10. Turuvekere
11. Kavinkere
12. Honnavinkere
13. Kaldodderi

Mysore District.

14. Kaggala
15. Nanjangud

Kolar District.

16. Hongenahalli

Shimoga District.

17. Vitagondanakoppa

18. Hallur
19. Somlapura
20. Santebannur
21. Joga
22. Hyamti
23. Issur
24. Gogga
25. Hitla
26. Tadagani
27. Kolgunsi
28. Arehada
29. Genasinkuni

Chitaldrug District.

30. Mallapura
31. Palya
32. Hallebennur.

and it is but natural that they should be lethargic after the Government loan is repaid as there is no inducement for them to close the banks finally.

The circular mentioned in my last year's Report was issued to stir up the Banks a little in this direction and for the reasons quoted in that Report, it has had no effect. The matter can only be dealt with by suitable action by the Registrar of Joint-Stock Companies, as the Banks are registered under the Companies' Regulation.

As regards the resuscitations of the Agricultural Banks, the policy adopted last year was continued. It was reported that in the year 1911-12, 18 Co-operative Societies were formed in localities where Agricultural Banks had been in existence. During the year, 5 such Societies have been started--four in the Shimoga District and one in the Bangalore District. The Societies at Chinnihatte in the Honnali Taluk and Ummadahalli in the Mandya Taluk started last year extend their operations to the villages of Joga and Satnur respectively where there were Agricultural Banks before. From the statisti available, it is seen that 177 members of the defunct Agricultural Banks have joined the above mentioned 25 Societies as against 78 members in the year previous. The Societies accommodated the members with loans to the extent of Rs.17,782-9-1 for paying off the debts due to the Agricultural Bank and to a further extent of Rs.11,[illegible]

for agricultural and other purposes. The corresponding preceding figures for the last year were 1,7[illegible] and 2,605 - respectively. At the same time, the members have subscribed for 177 shares in these societies and have paid a sum of Rs.3,651-12-0 against a sum of - Rs.1,402-8-0. The success of these Co-operative Societies has, it seems to me, solved the problem of the resuscitation of the agricultural Banks once for all.

I have the honor to be,

Sir,

Your most obedient servant,

R Ranga Rao

For the Registrar of Cooperative Societies in Mysore & Inspector of Agricultural Banks.

OFFICE OF THE

REGISTRAR OF CO-OPERATIVE SOCIETIES

IN MYSORE.

Dated Bangalore, 25th October 1913.

From

M.A. Narayan Ayangar, Esq., B.A; B.L.,
Registrar of Co-operative Societies and
Inspector of Agricultural Banks in Mysore

To

C.S. Balasundaram Iyer, Esq., B.A.,
Secretary to Government, Departments of
Education and Agriculture, Bangalore.

Sir,

I have the honor to submit my Annual Report on the working of the Agricultural Banks in the State for the year ending 30th June 1913.

2. I held the office of Inspector of Agricultural Banks throughout the year.

3. As usual, the data for drawing up this report were obtained from the Agents of the working Banks. The first four Statements furnish statistics of the working Banks only and the fifth statement contains details of the loans sanctioned to, and the amounts recovered till the end of the year from the several Agricultural Banks-- both working and wound-up, and as before, this statement was compiled from the monthly retu

them completely wound up. The attention of the Registrar of Joint Stock Companies is invited to letterNo. H 5341 / B 30-12-4 dt. 22nd March 1913 conveying instructions for action in such cases.

17/12

Secretary to Government,
Departments of Education and Agriculture

17.XII.13

To

The Inspector of Agricultural Banks

The Registrar of Joint Stock Companies.

The Comptroller to Government.

The Deputy Commissioners of Districts

and the Inspector of Agricultural Banks to take vigorous measures for effecting an early recovery ~~of the dues~~.

5. Thirty two out of the fifty nine banks started in the State have fully paid up their Government dues and of these all except the Bank at Hongena halli have ceased working. A few others have small balances to pay up and during the current year it is expected that their accounts will also have been fully adjusted. Excess recoveries from individual banks are reported in the marginally noted cases. Government invite the special attention of Deputy Commissioners in ~~connection~~ conjunction with the Inspector of Agricultural Banks to the readjustment of excess recoveries and prompt repayment of the excess amount collected from individual members. Government do not think that the existence of these dormant institutions serves any useful purpose ~~whatever~~ and they consider it ~~is~~ expedient to take steps to have

Bangalore District
1. Talagawara
2. Hulikunte
3. Thyamagondlu
4. Sulikunte
5. Billankote

Kolar District- 1. Hongenhalli

Tumkur District
1. Kadagatur
2. Holdodderi
3. Mavinkere
4. Nonavinkere

Shimoga District
1. Santebennur
2. Arhada
3. Genasinkuni

Mysore District
1. Kaggala

business for the past two years.

3. The Nanjangud Bank has however fully paid up the Government advance but the Chamarajanagar Bank is heavily in arrears of the instalments due to Government and as no purpose is served by keeping Government money locked up in such an institution and keeping it artificially alive, the Deputy Commissioner of the Mysore District will take immediate steps to have the balance of Government loan realised at once by taking coercive measures under Regulation II of 1903, if necessary.

4. It is noted that the collection of dues especially in the Bangalore and Mysore Districts ~~have~~ has been better than in previous years. Out of a total advance of Rs. 7,43,670 due up to date a sum of Rs. 79,914 still remains to be realised from these institutions. Nearly 20 institutions are yet largely in arrears and it behoves the Deputy Commissioners of the Districts concerned

Proceedings of the Government of His Highnessthe Maharaja of Mysore.

Read-

Letter No. 526 dated 25th October 1913 from the Inspector of Agricultural Banks.

(Here print the letter in extenso)

Order thereon-No. Je 2979-89

Dated B 28-13-2

9 January/14

Recorded.

2. The number of working institutions fell during the year from 6 to 4. Of these only 2, Viz., the Banks at Palhalli in the Seringapatam Taluk and Hongenhalli in the Malur Taluk are working on sound lines, the former showing as usual the largest turn over, its receipts and expenditure during the year amounting to Rs. 13986 and 13399 respectively. The other two banks, Viz., those at Nanjangud and Chamarajanagar are reported to have transacted no bu-

1913-14

GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE

FINANCIAL (BANKING)

PROCEEDINGS

Dated 9th January 1914

No. Fl. 2979-89
B. 28-13-2

Reviews the Report on the working of the Agricultural Banks in Mysore, during the year 1912-13.

Financial (Banking), dated 9th January 1914.

Societies have been started four in the Shimoga District and one in the Bangalore District. The Societies at Chinnikatte in the Honnali Tatuk and Ummadahalli in the Mandya Taluk started last year extend their operations to the villages of Joga and Satnur, respectively, where there were Agricultural Banks before. From the statistics available, it is seen that 177 members of the defunct Agricultural Banks have joined the above mentioned 25 Societies as against 78 members in the year previous. The Societies accommodated the members with loans to the extent of Rs. 17,782-9-1 for paying off the debts due to the Agricultural Bank and to a further extent of Rs. 11,598-1-6 for agricultural and other purposes. The corresponding figures for the last year were Rs. 1,760 and 9,605 respectively. At the same time, the members have subscribed for 177 shares in these societies and have paid a sum of Rs. 3,654-13-0 as against a sum of Rs. 1,402-8-0. The success of the Co-operative Societies has, it seems to me, solved the problem of the resuscitation of the Agricultural Banks once for all.

No. Fl. 2979-89—B. 28-13-2, dated Bangalore, 9th January 1914.

Order thereon.—Recorded.

2. The number of working institutions fell during the year from 6 to 4. Of these only 2, *viz.*, the Banks at Palhalli in the Seringapatam Taluk and Hongenhalli in the Malur Taluk are working on sound lines, the former showing as usual the largest turn-over, its receipts and expenditure during the year amounting to Rs. 13,986 and 13,399 respectively. The other two Banks, *viz.*, those at Nanjangud and Chamrajnagar, are reported to have transacted no business for the past two years.

3. The Nanjangud Bank has however fully paid up the Government advance, but the Chamrajnagar Bank is heavily in arrears of the instalments due to Government, and as no purpose is served by keeping Government money locked up in such an institution and keeping it artificially alive, the Deputy Commissioner of the Mysore District will take immediate steps to have the balance of Government loan realised at once by taking coercive measures under Regulation II of 1903, if necessary.

4. It is noted that the collection of dues especially in the Bangalore and Mysore Districts has been better than in previous years. Out of a total advance of Rs. 7,43,670 due up to date, a sum of Rs. 79, 914 still remains to be realised from these institutions. Nearly 20 institutions are yet largely in arrears and it behoves the Deputy Commissioners of the Districts concerned and the Inspector of Agricultural Banks to take vigorous measures for effecting an early recovery.

5. Thirty-two out of the fifty-nine Banks started in the State have fully paid up their Government dues and of these all except the Bank at Hongenahalli have ceased working. A few others have small balances to pay up and during the current year, it is expected that their accounts will also have been fully adjusted. Excess recoveries from individual Banks are reported in the marginally noted cases. Government invite the special attention of Deputy Commissioners in conjunction with the Inspector of Agricultural Banks to the readjustment of excess recoveries and prompt repayment of the excess amount collected from individual members. Government do not think that the existence of these dormant institutions serves any useful purpose and they consider it expedient to take steps to have them completely wound up. The attention of the Registrar of Joint Stock Companies is invited to letter No. Fl. 5341—B. 30-12-4, dated 22nd March 1913, conveying instructions for action in such cases.

Bangalore District,—
1. Talagawara.
2. Hulikunte.
3. Tyamagondalu.
4. Sulikunte.
5. Billankote.

Kolar District.—
1 Hongenhalli.

Tumkur District.—
1. Kadagatur.
2. Holdodderi.
3. Mavinkere.
4. Nonavinkere.

Shimoga District.—
1. Santebennur.
2. Arhada.
3. Genasinkuni.

Mysore District.—
1. Kaggala.

C. S. BALASUNDARAM IYER,
Secy. to Govt., Edn. & Agri. Depts.

To—The Inspector of Agricultural Banks.
The Registrar of Joint Stock Companies.
The Comptroller, Mysore Government.
The Deputy Commissioners of Districts.

Proceedings of the Government of His Highness the Maharaja of Mysore.

READ—

Letter No. 526, dated 25th October 1913, from the Inspector of Agricultural Banks.

I have the honor to submit my Annual Report on the working of the Agricultural Banks in the State for the year ending 30th June 1913.

2. I held the office of Inspector of Agricultural Banks throughout the year.

3. As usual, the data for drawing up this report were obtained from the Agents of the working Banks. The first four statements furnish statistics of the working Banks only and the fifth statement contains details of the loans sanctioned to and the amounts recovered till the end of the year from the several Agricultural Banks, both working and wound-up, and, as before, this statement was compiled from the monthly returns of the District Treasuries shewing the recoveries made from the several banks.

4. *Working Banks.*—The year under review opened with six working Agricultural Banks and during the year two of them, *viz.*, Kyatanahalli in the Seringapatam Taluk and Siralkoppa in the Shikarpur Taluk, were found to have continued in arrears of Government loan for years and the Government therefore ordered their being wound-up. Consequently the number of working Banks was reduced to four at the end of the year of which three were situated in the District of Mysore and one in Kolar.

5. *Villages sought to be benefited.*—Consequent on the reduction in the number of the working Banks, the number of villages to which the operations of the Banks extended was reduced from 88 to 77.

6. *Registered limit of funds.*—The total limit of funds of the working Banks was reduced from Rs. 2,29,385 to Rs. 1,96,000. The decrease is due to the reduction in the number of the working Banks. This figure was only a *nominal* one as most of the Banks had no vitality.

7. *Funds how obtained.*—The chief source of the working capital of the Banks was, as in the past, the balance of Government loan outstanding against them amounting to Rs. 20,946. The three Banks, *viz*,, Palhalli, Hongenahalli and Chamrajnagar were able to supplement the balance of the Government loan by local deposits to the extent of Rs. 12,588-4-9.

8 *Number of members.*—The working Banks had a total membership of 138 at the beginning of the year. There was one case of admission in the Hongenahalli Bank and three of cessation of membership in the same Bank. The net membership was, therefore, 136 at the end of the year. As usual, the Brahmins and Vokkaligars formed the bulk of the membership, numbering 71 and 30 respectively.

9. *Receipts and disbursements.*—The volume of business done during the year was less than during the previous year. The total receipts and disbursements amounted to Rs. 28,267-13-5 and Rs. 27,630-1-2 respectively. As in the year previous, the Bank at Palhalli had the largest turn-over, the receipts and expenditure amounting to Rs. 83,986-0-4 and Rs. 13,398-15-1. The closing balance of all the working Banks was Rs. 637-12-3.

10. *Loans and members.*—A sum of Rs. 9,416-7-2 was issued as loans to members during the year as against Rs. 8,478-2-1 in the previous year. The Banks at *Nanjangud* and *Chamrajnagar* transacted no business as in the last year.

11. *Income of the Banks.*—The income of the banks was, as usual, made up of the interest and penalty recovered from the members on the loans due by them. The last year's transactions resulted in a net profit of Rs. 1,898-2-6. It was used mostly for paying off the interest due on the Government loan and the establishment and contingent charges. No portion of the interest was added to the Reserve Fund and even the existing surplus had been mixed up with the other assets of the Banks.

12. *Assets and liabilities.*—Statement No. IV indicates the financial position of the working banks as it stood on the 30th June 1913. The excess of assets over liabilities amounted to Rs. 12,785-6-3.

13. *Payment of interest on Government advances.*—The table given hereunder shews the amount of interest paid during the year by both the working and the wound-up banks.—

	1911-12	1912-13
	Rs. a. p.	Rs. a. p.
Working Banks	681 15 6	742 4 8
Wound-up Banks	5,256 12 7	4,722 14 3

14. *Re-payment of instalments.*—The subjoined table shews the total amount outstanding against the banks both working and wound-up, the repayments made by them during the year and the balance of instalments remaining unadjusted:—

Instalments up to the end of.	Amount due.	Repayments.	Balance
	Rs. a. p.	Rs. a. p.	Rs. a. p.
1911-12 ...	7,35,854 0 0	6,40,459 11 0	95,394 0 0
1912-13 ...	7,43,670 10 8	6,63,755 13 8	79,914 13 0

The amounts of principal paid into the Treasuries by the working and wound-up banks respectively are given below:—

	During the year.	Working Banks.	Wound-up Banks.
		Rs. a. p.	Rs. a. p.
Principal ...	1911-12	6,387 0 0	59,536 4 8
	1912-13	7,597 0 0	27,098 4 7

The recoveries have on the whole been satisfactory. In the Bangalore District, of the six Banks that are still indebted to the Government, those at Bidarkuppe, Attibele and Closepet shewed good recoveries and from the two Banks of Ardeshalli and Vadigenhalli situate in the Devanhalli Taluk, there was no recovery and the balances of Rs. 6,902 and Rs. 6,511 have been outstanding for the last three years. Of the Banks in the Kolar District those at Mudavatti (Kolar Taluk) and Thippenahalli (Chikballapur Taluk) deserve notice. Very small sums were recovered from them and the balances are still heavy. It is very satisfactory to note that the working bank at Hongenahalli in the Malur Taluk of the same district paid off the Government loan in full and the management of the Bank is good and there is every likelihood of its continuing the transactions with the reserve of about Rs. 3,316-6-7 accumulated so far. In the Tumkur District all the banks, except Rampura and Manchakalkuppe, have discharged the Government loans. The recoveries of Government dues have been specially stisfactory in the Mysore District. From the Kyatanahalli Bank which was ordered to be wound-up at the beginning of the year, a sum of Rs. 5,004 was credited towards principal, besides a sum of Rs. 150-6-8 which was paid towards interest. This leaves a balance of only Rs. 636 outstanding against the Bank. A sum of Rs. 3,810 was recovered from the Seringapatam Bank and the balance of Government loan was reduced to Rs. 790. The Mandya and Satnur Banks have shewn good recoveries. The balance of Rs. 2,760 due from the Bank at French Rocks still remains unadjusted and there was only a small recovery of Rs. 53-10-3 under interest. Shimoga District contains the least number of indebted Banks and their accounts with the Government could have long ago been closed, had the Amildars paid a little attention to the Banks existing in their taluks. The small sum of Rs. 2 is due from the Banks of Salur and Haromuchadi and Rs. 13-12-0 from the Bank at Churchgundi. These sums have been outstanding for over three years. The sums of Rs. 950 and Rs. 314 due by Siralkoppa and Honnali have not been adjusted, there having been no recovery from them during the year. The other districts call for no remarks.

Inspection.—This year too I received no report of inspection by the District Officers. I inspected the Banks at Closepet and Thippenahalli in the Chikballapur Taluk.

General Remarks.—Out of the 59 Banks started throughout the State since the inception of the movement, as many as 32 Banks have completely paid off the Government loan and their names have been noted in the margin. There have been excess recoveries in the case of most of them and I daresay that in the case of others also there are still uncollected debts. In statement No. V, some of the available particulars as regards the excess recoveries have been noted and the question of the utilization of the surplus amounts of these paid up Banks still remains unsolved. The reason for this is obvious and the authorities of the Banks are to a large extent responsible for this state of affairs and it is but natural that they should be lethargic after the Government loan is repaid as there is no inducement for them to close the Banks finally.

Bangalore District.
1. Hulikunte.
2. Tyamagondlu.
3. Sulikunte.
4. Tavagavara.
5. Billankote.

Tumkur District.
6. Kyatsandra.
7. Arivur.
8. Kadagathur.
9. Chikanayakanhalli
10. Turuvekere.
11. Mavinkere.
12. Nonavinkere.
13. Haldodderi.

Mysore District.
14. Kaggala.
15. Nanjangud.

Kolar District.
16. Hongenahalli.

Shimoga District.
17. Vitagondanakoppa.
18. Nallur.
19. Somlapura.
20. Santebennur.
21. Joga.
22. Nyamti.
23. Issur.
24. Gogga.
25. Hitla.
26. Tadagani.
27. Kelgunsi.
28. Arehada.
29. Genasinkuni.

Chitaldrug District.
30. Mallapura.
31. Palya.
32. Malebennur.

The circular mentioned in my last year's Report was issued to stir up the Banks a little in this direction and for the reasons quoted in that Report, it has had no effect. The matter can only be dealt with by suitable action by the Registrar of Joint-Stock Companies, as the Banks are registered under the Companies' Regulation.

As regards the resuscitations of the Agricultural Banks, the policy adopted last year was continued. It was reported that in the year 1911-12, 18 Co-operative Societies were formed in localities where Agricultural Banks had been in existence. During the year, five such